



Irish Co-operative Organisation Society Limited

108TH ANNUAL REPORT 2002



www.icos.ie

ICOS Mission Statement

“To provide leadership for the co-operative movement and to promote, develop, co-ordinate, and represent agri-business and rural related co-operatives in the interests of their user members”

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FOREWORD

Following on from the difficulties encountered in 2001 with Foot and Mouth and BSE, weak markets and bleak prospects sum up the outlook in 2002. The reality of farmer's output being for the most part constrained by quotas, and tied to a market management regime that appeared intent on managing support prices downwards, gave little prospect for optimism in the farming sector.

Looking back over 2002 this gloom is further compounded by the extent to which farm enterprises were subject to significant price increases in their labour, insurance, energy and service costs generally.

All of this negative sentiment impacts directly on our co-operative businesses. Faced with significant cost increases and declining or static sales volume, co-operatives are being forced into a serious reappraisal of their strategies and methods of operation. The meat and dairy sectors in particular are faced with some profound choices in regard to restructuring and reorganisation of their businesses. After a further difficult year in the livestock meat sector, my comments of last year in regard to the need for meat boards to give a lead in restructuring their businesses takes on a new urgency.



Dessie Boylan, ICOS President

When I met with Commissioner Fischler in November of last year I told the Commissioner that the timing of the Commission's Mid Term Review proposals was wrong and that the EU Commission should stay within its Agenda 2000 mandate in the current WTO negotiations.

I told him that Irish dairy farmers faced a severe income squeeze in 2002 and that milk prices for some farmers had fallen by 10%. On top of this, co-ops had supported farmers to the extent of an average of a further 5%. I indicated that ICOS policy was that the Commission should support the market through the range of mechanisms at its disposal to assist farmer's income in these very difficult market conditions.

I outlined ICOS opposition to the general thrust of the Mid Term Review proposals as they would lead to a significant reduction in farmer's incomes and fail to take account of the effects of inflation on the sector.

I said that ICOS opposed the Commission's proposals on decoupling because it would reduce farm output significantly. It does not take account of the higher quality standards and costs, which apply to the European Model of Agriculture. There is also the risk that direct payments may be exposed to further cuts because the reasons to justify these direct payments in future have not been set out.

ICOS also made the case for a review of milk quota fat reference levels in all Member States to take account of current circumstances.

Finally, I told Commissioner Fischler that Ireland faces severe disadvantages due to the maize silage subsidy - as Ireland receives a very small maize subsidy because grass silage is the main feed. ICOS requested that this imbalance be addressed in the Mid Term Review through provision of a similar grass silage premium in Ireland.

These proposals, with their emphasis on further reducing market support prices and greater restrictions on the use of intervention, send the clearest signal yet that the EU appeared to be willing to sacrifice the agricultural sector in the hope of gaining advantage for other sectors in the upcoming World Trade Talks.

The ICOS position in regard to the CAP proposals is outlined in more detail elsewhere in this report but as I have indicated, ICOS is vigorously opposed to many of the elements of these proposals and is working closely with farm organisations in Ireland, with our Minister for Agriculture and his officials and with

sympathetic farm and co-operative organisations in other European countries to try and limit the worst effect of these proposals on the Irish farming and food sector.

The management of the milk sector by the European Commission in 2002 left a lot to be desired. The Commission was very slow to react to downward trends in product prices and it was often a case of 'too little too late'. ICOS has met with the Commissioner and Commission officials both in Dublin and in Brussels and has produced detailed proposals as to how the intervention and support measures could be operated to better effect. These issues are reported on in more detail in the Policy Development Divisions contribution to this Annual Report.

The Board and Council of ICOS, despite misgivings about government management of the agricultural sector, gave their unanimous backing and support to a 'yes' vote in the Nice Treaty. Conscious of the importance of the Treaty to the overall development of Europe, ICOS invested considerable energy and resources in supporting the 'yes' campaign and welcomed the positive outcome of that Referendum.

2002 saw the conclusion of the Programme for Prosperity and Fairness and the beginning of negotiations on a successor agreement. It is clear now with the benefit of hindsight that the level of wage settlement agreed under the PPF has proven a difficult burden for our co-operatives to absorb. It has impacted negatively on their global competitiveness. As we go to press the outcome of the successor talks to the PPF are likely to yield an agreement that the farming pillar can not agree to be part of and where the agreement on wages is likely to further exacerbate the ability of co-operatives to afford current wage costs. With the current pressure on farming and with the prospects of further policy changes, it is quite evident that a significant restructuring of the industry at production and processing level will be required in the near future.

ICOS launched its new website in July 2002 (www.icos.ie). Already it is evident from the number of 'hits' received by the new site that there is a lot of interest in the material contained on the site. Further enhancements to the site are planned for later this year.

Our commitment to director development and leadership training received a welcome boost during the year under review. The twenty-four directors who commenced the Diploma Programme in Corporate Direction in 2001 completed their programme and all of them were awarded their Diplomas by the President of UCC in October 2002. I wish to extend my heartiest congratulations to these pioneers and to express the hope that their learning experiences will be put to good use.

I would like to extend my thanks and good wishes to all those members of the Council and the Board who retired during the year. These included Mr Nicolas Mc Eniry (IAWS), Mr Michael Drea (Irish Dairy Board), Michael Coughlan (Cork Marts), Mr Paddy O'Brien (Drinagh), Mr Pat O'Connor (Golden Vale), Ms Mary Coleman (Country Markets) and Mr Martin Caulfield (Connacht Gold).

In the year under review the co-operative movement lost some great and committed leaders who gave long years of support to the co-operative movement at local, regional and national level. As noted in last years report TJ Maher, Michael O'Brien and Danny Gilmartin passed away in the earlier part of the year. Since then the Movement has lost Lar Carroll, Chairman of Kilkenny Mart and ICOS Board Member, Denis Foley, former Manager of Mullinahone Co-operative Society, Donal Kenny, Manager and Secretary of Irish Dairy Records Co-operative Society Limited, Michael McCormack, Secretary of Dairygold Co-op and former member of the staff of ICOS, Frank O'Reilly, former Manager of Oldcastle Co-operative Creamery Ltd and Bill Carroll and John Barry, both of whom were past Presidents of ICOS.

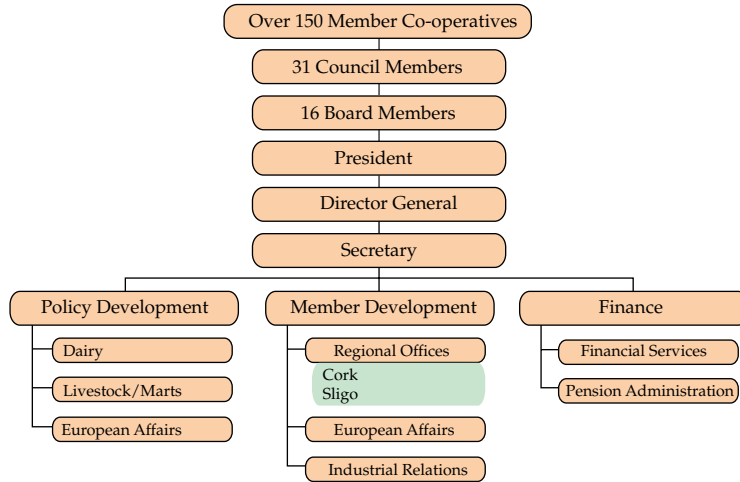
Ar dheis Dé go raibh a n-anama go léir.

Dessie Boylan
PRESIDENT

Corporate Profile

As the co-ordinating organisation for co-operatives in Ireland, the Irish Co-operative Organisation Society provides a range of services to its member co-operatives and represents them on national and international organisations.

ICOS itself is a co-operative, and is directed and controlled by a National Council that is elected by its member co-operatives. These member co-operatives number over 150 and represent an individual membership of over 150,000 people.



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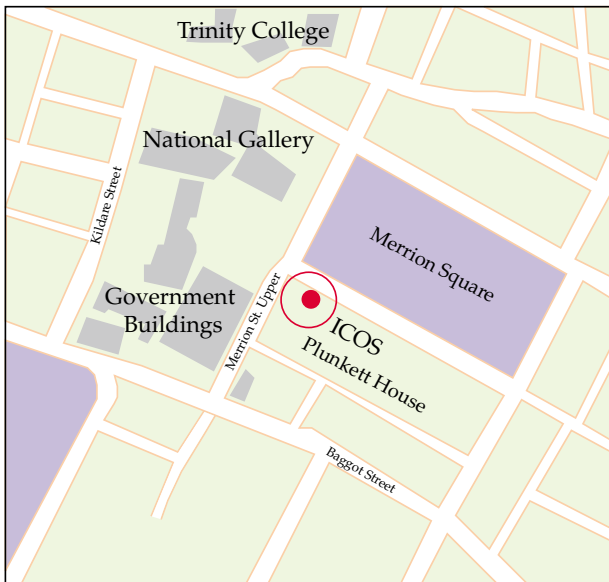
Price Waterhouse Cooper

Bankers:

Bank of Ireland / Allied Irish Bank

Solicitors:

Arthur Cox



*Seamus O'Donohoe,
Secretary*



*Dessie Boylan,
President*



*John R Tyrrell,
Director General*

ICOS Board 2002

Elected Members	Address	Elected/Appointed by (electoral group)
Mr. Dessie Boylan	Latnadronagh, Crosserlough, Co. Cavan	Creameries North
Mr. James Brosnan	Fahavane, Kilflynn, Tralee, Co. Kerry	Kerry Co-operative Creamery Ltd.
Mr. Donal Cashman	Coole, Whitecross, Co. Cork	Miscellaneous Societies
Mr. Tom Corcoran	Bohadon, Dungarvan, Co. Waterford	Glanbia Co-operative Society Ltd.
Mr. Padraic Gibbons	Bullaun, Mayneen, Sheeaune, Westport, Co. Mayo	Mart Societies
Mr. Michael Drea**	Kilcarrie, Bagenalstown, Co. Carlow	Irish Dairy Board
Mr. Patrick Kelleher Ltd.	Coolmountain, Clondrohid, Macroom, Co. Cork	Dairygold Co-operative Society
Mr. Tom O'Brien	Bayly Farm, Ballinaclough, Nenagh, Co. Tipperary	Creameries South
Mr. Michael O'Dwyer	Bridge View, Ardmayle, Cashel, Co. Tipperary	Mart Societies
Mr. Noel O'Sullivan	Breeneybeg, Kealkil, Bantry, Co. Cork	IAWS Ltd.
Mr. Paddy O'Brien**	Drishanebeg, Skibbereen, Co. Cork	Creameries South
Mr. Martin Caulfield**	Kiltoghert, Ballyhague, Williamstown, Co. Galway	Creameries North
Mr Lar Carroll**	Seskin South, Ballyragget, Co. Kilkenny	Mart Societies
Mr. Lexie Tinney	Drumcairn, Manorcunningham, Co. Donegal	Creameries North
Mr Pat O'Connor**	Rathnasare, Rathkeale, Co. Limerick	Golden Vale Foods
Mr. Michael Walsh	Coolroe, Graiguenamanagh, Kilkenny, Co. Kilkenny	Glanbia Co-operative Society Ltd.

**

Mr Michael Drea (Irish Dairy Board), was replaced by Mr Noel Horgan, Station Road, Co. Tipperary, on his resignation.

Mr Pat O'Connor resigned subsequent to the acquisition of Golden Vale Foods by Kerry Group.

Mr Paddy O'Brien was replaced by Mr John Sexton, Sunview, Courtmacsharry, Bandon, Co. Cork on his resignation.

Mr Martin Caulfield was replaced by Sean Sweeney, Knocknaderry, Killala, Co Mayo.

Mr Lar Carroll (RIP) died in office in September '02 and was replaced by Mr. Tom Doyle, Ballyoughter, Gorey, Co. Wexford.



Back row, from left: John Sexton, Donie Cashman, Patrick Kelleher: Middle row: Noel Horgan, James Brosnan, Tom O'Brien, Padraic Gibbons, Tom Doyle; Front row: Noel O'Sullivan, Michael O'Dwyer, Seamus O'Donohoe, Dessie Boylan, Tom Corcoran, John Tyrrell, Michael Walsh. Absent: Lexie Tinney, Sean Sweeney.

ICOS National Council 2002

The National Council consists of all Board Members as listed on the previous page and the following people

Elected Members	Address	Elected/Appointed by (electoral group)
Mr. Paddy O'Brien**	Drishanebeg, Skibbereen, Co Cork	Creameries South
Mr. Martin Caulfield**	Kiltoghert, Ballyhague, Williamstown, Co Galway	Creameries North
Mr. Michael Coughlan**	Ballyellis, Buttevant, Co Cork	Mart Societies
Mr. Con Halahan	Toames, Macroom, Co. Cork	A. I. Societies
Mr. Jim Maguire	Beglieve, Bailieboro, Co. Cavan	Miscellaneous Societies
Mr. Hugo Maguire	Beechford Farms, Clones, Co. Monaghan	Creameries North
Mr. Sean Murray	Faleeney, Templederry, Nenagh, Co. Tipperary	Creameries South
Mr. John Joe O'Brien	Gerah, Banane, Kenmare, Co Kerry	Miscellaneous Societies
Mr. Terence O'Donnell	Scart, Kildorrery, Co Cork	Dairygold Co-op Society Ltd.
Mr. Tom Brooks	Drumcaurin, Ennis, Co. Clare	Mart Societies
Ms. Mary Coleman	5 Beaufort Place, Hudson Road, Sandycove, Co Dublin	Miscellaneous Societies
Mr. John Dillon	Irish Farm Centre, Bluebell, Dublin 12	Co-opted Member
Mr. Seamus Phelan	Smithstown, Tullogher, Mullinavat, Co Kilkenny	Co-opted Member
Mr. Pat O'Rourke	Hillbrook, Moatefarrell, Co. Longford	Co-opted Member
Ms. Breda Raggett	"Shalom", Bodalmore, Waterford Road, Co. Kilkenny	Co-opted Member

**

Mr Paddy O'Brien was replaced on his resignation by Dan Joe O'Donovan Minanes, Drinagh, Co. Cork.
 Mr Martin Caulfield was replaced on his resignation by Mr James Gallagher, Cornagee, Kinlough, Co. Leitrim.
 Mr Michael Coughlan was replaced on his resignation by Mr Tom Leahy Ballyharrahan, Dungarvan, Co. Waterford.



Back row, from left: Noel Horgan, John Sexton, Jim Maguire, Tom Brooks, Donie Cashman, Patsy Kelleher, Tom Leahy, James Gallagher; Middle Row: Noel O'Sullivan, Sean Murray, J.J O'Brien, James Brosnan, Dan Joe O'Donovan, Tom O'Brien, Seamus Phelan, Padraic Gibbons, Tom Doyle, Michael Walsh; Front row: Michael Dwyer, Seamus O'Donohoe, Breda Ragget, Dessie Boylan, Tom Corcoran, John Tyrrell, Hugo Maguire. Absent: Lexie Tinney, Terence O'Donnell, Sean Sweeney, John Dillon, Pat O'Rourke.

Operations Review 2002

EU DEVELOPMENTS

Mid Term Review

The Mid Term Review proposals announced initially by the Commission in July and subsequently refined with a more detailed set of proposals are a cause of serious concern to ICOS and its constituent members.

ICOS has largely rejected the proposals, which it believes, if fully implemented, will have a very severe impact on the structure of Irish farming and food processing.

Since July, ICOS has organised an ongoing series of meetings with co-operative boards and management. It has met with Commissioner Fischler both in Ireland and in Brussels and has organised and attended a number of high-ranking meetings with both the Commission and Irish officials. A more detailed policy position can be found in the Policy Development Division section of this report.



John Tyrrell, ICOS Director General and Mike Feeney, Director Enterprise Ireland at the launch of the Prospectus Report on a Strategic Development Plan for the Irish Dairy Sector.

Market Management

During the year, ICOS called on the Minister of Agriculture, Mr. Joe Walsh T.D. to persuade the E.U. Commission not to take any steps that might undermine any market recovery in the dairy sector.

In particular, Minister Walsh was asked to try and influence Commissioner Fischler and his officials not to take premature steps, which will damage the fragile recovery in dairy markets. ICOS asked that there should be no change in refunds, casein aid levels or further offers of SMP from intervention and that early in 2003 there should be an increase in export refunds and casein aid to improve E.U. Competitiveness.

While this call has yielded a limited response to date, ICOS continues to lobby to ensure that the Commission will allow product prices to increase to 5% above intervention before it adjusts refunds or offers supplies of intervention powder onto the market.

WTO Negotiations

During the year ICOS warned that Ireland's negotiators must insist that the EU Commission does not go beyond its Agenda 2000 mandate in the Doha WTO negotiations or this will force further CAP reform cuts.

In December 2002, the Director General of ICOS wrote on behalf of the Irish Co-operative food processing and marketing sector, outlining ICOS's strong opposition to the EU offer.

INCREASED INSURANCE COSTS

A number of co-ops affiliated to ICOS have experienced increases of 125% for cost of insurance for 2002. It has become one of the largest items in the expense accounts for 2002. The cost of insurance in other EU countries bears no relationship to the costs in Ireland. For every €100 paid in insurance by an Irish company, the UK equivalent charge is €34 and only €13 in Holland.

Radical changes have to be introduced in order to control the insurance costs in the co-operative industries. Open competition has to be encouraged and the competition authority needs to investigate the insurance industry and why the increases are so substantial.

CENTRAL AND EASTERN EUROPEAN CONSULTANCY

During 2002, ICOS successfully completed its Commission funded project in Central Europe. This was done in collaboration with COPA/COGECA and the Swedish Farmers and Co-operative Organisation, LRF. The project provided additional advice to farmer and co-operative organisations in Central Europe and increases the participation of representatives from these countries in COPA/COGCA meetings. In addition, ICOS's subsidiary consultancy company continued to tender for new projects.

CHANGES TO CO-OPERATIVE LEGISLATION

After quite a number of years pursuing changes to the Industrial and Provident Society's Act, ICOS succeeded in effecting a change in the important area of voting on special resolutions to amalgamate two or more Societies.

Clause 51 of the Competition Act 2002 now has the effect that two or more Societies wishing to amalgamate may do so if a simple majority of the members present and voting at a general meeting at which the special resolution to amalgamate is put agree with the resolution and subsequently that decision is endorsed at a confirmatory general meeting. Where a majority of over 75% is achieved at the first meeting a second confirmatory meeting will not be required.

RULE CHANGES

There were four changes to the ICOS Rules approved at the 2002 SGM. The first change permitted the Society to convert its shareholding to euro and to convert all references in the rules to euro. The main effect of this was to convert the existing 50p ordinary share held by each affiliated society in ICOS to an ordinary 1-euro share.

The second rule change permitted a correction to a rule reference in rule 18 where the reference to “rule 29” should have read “rule 33”. The third rule change clarifies an ambiguity in regard to the voting rights of member societies who have less than 250 members by making it clear that those societies who have 250 members “or fraction of two hundred and fifty” are entitled to one vote.

The final change amended rule 51 by the deletion of the second sentence in the second paragraph. The effect of this was to permit the Board of ICOS to vary the size, composition and structure of expert committees from time to time without being constrained by a particular formula for doing this in the rules.

CO-OPERATIVE SECTOR ACTIVITY

The summary table of the Irish Co-operative sector in 2001 shows a sectoral turnover of €11.7 billion. This compares with a turnover of €11.8 billion shown in the Annual Report for the year 2000. Total sales from the Dairies sector have decreased from €10.0 billion in 2000 to €9.9 billion in 2001. Mart turnover in the period under review declined from a figure of €601 million in 2000 to a figure of €459 million in 2001.

ICOS MEMBERSHIP

During the year, eighteen new societies were admitted to membership of ICOS and eight societies had their shareholding in ICOS cancelled. The listing of newly affiliated societies and of societies whose shareholding was cancelled is given below.

Newly Affiliated Societies

Kilbarron Group Water Scheme Society Ltd.
Drumloman Co-operative Society Ltd.
Commercial Mushroom Producers Society Ltd.
Clogherhead Fishermen’s Co-operative Society Ltd.
Killybegs Fishermen’s Co-operative Society Ltd.
Parke Group Water Scheme Co-operative Society Ltd.
Peterswell Group Water Scheme Society Ltd.
Clooneygrasson Group Water Scheme Society Ltd.
National Federation of Group Water Schemes Co-operative Society Ltd.
Bekan and District Group Water Scheme Society Ltd.
Caherlinie/Newtown Group Water Scheme Society Ltd.
Gowlan Group Water Scheme Co-operative Society Ltd.
Kilally Group Water Scheme Society Ltd.
Tipperary Mushroom Producers Co-operative Society Ltd.
Derrycorrib/Dohoma Group Water Society Ltd.
Corrduff/Corrabaha Group Water Scheme Co-operative Society Ltd.
Claran Group Water Scheme Co-operative Society Ltd.
Blackstairs Group Water Scheme Co-operative Society Ltd.

Societies Whose Shareholding was Cancelled

Shannonside Co-operative Society Ltd.
Ballinasloe Co-operative Agricultural Society Ltd.
North East Cattle Breeding Society Ltd.
Kiltoghert CADS Ltd.
Mid West Farmers Co-operative Society Ltd.
Duagh Historical and Heritage Society.
Golden Vale Food Products.
Youghal Fishermen’s Co-operative Society Ltd.



Dessie Boylan, ICOS President, meeting Charles Katabala, Assistant Programme Co-ordinator in CEDO, Uganda, at the 2002 ICOS AGM.

COUNCIL, BOARD, PRESIDENT & VICE-PRESIDENTS

As a result of elections held and direct nominations received the following were appointed to the Council of ICOS:

Direct Nominations:

Glanbia Co-operative Society Ltd.	Tom Corcoran	Michael Walsh
Dairygold Co-operative Society Ltd.	Patsy Kelleher	Terence O'Donnell
Irish Dairy Board	Noel Horgan	
Kerry Co-operative Creamery Ltd.	James Brosnan	
IAWS Ltd.	Noel O'Sullivan	

Elections:

Creameries North	Sean Sweeney (Connacht Gold)	James Gallagher (Connacht Gold - Casual vacancy to replace M.Caulfield)
Creameries South	Tom O'Brien (Nenagh)	DJ Donovan (Drinagh - Casual Vacancy to replace P O' Brien)
Marts	Tom Brooks	Tom Leahy (Cork Marts- Casual Vacancy to replace M Coughlan) Tom Doyle (Wexford Farmers - Casual Vacancy to replace L Carroll R.I.P.)
Miscellaneous	Jim Maguire (NCFRS)	

Elections and Appointment to the Board

In subsequent appointments and elections to the Board all of the Societies who have direct right of appointment to the Council and Board appointed their respective Council Member to the Board of ICOS. (Under ICOS rules one of the 'appointed' Board seats alternates between Dairygold Co-operative Society Ltd. and Glanbia Co-operative Society Ltd. Mr Michael Walsh commenced a two-year term of appointment in 2002 and his term will expire in 2004 when the Dairygold appointee will succeed him).

The following were elected by Council to the Board in 2002:

Creameries North	Dessie Boylan (Lakeland)	Sean Sweeney (Connacht Gold)
Creameries South	Tom O'Brien (Nenagh)	John Sexton (Barryroe - Casual Vacancy to replace P O'Brien)
Marts	Padraic Gibbons (Connacht Gold)	

Mr Lexie Tinney (Glenveagh) was re-elected as Northern Vice-President for a further two-year term and Mr Tom Corcoran (Glanbia) was elected Southern Vice-President to replace Mr Paddy O'Brien, who had resigned from the Board in April 2002, thus creating a causal vacancy.

At their meeting after the AGM the Council agreed to co-opt the four currently serving Presidents of the IFA, ICMSA, Macra Na Feirme and ICA. These co-options were John Dillon, Pat O'Rourke, Seamus Phelan and Breda Raggett respectively.

Sub-Committees and Chairmen of Expert Committees

The Board nominated delegates to the following committees and organisations:

Dairy Committee

J Duggan, P Kelleher, S Sweeney, J Brosnan, N Horgan, L Tinney, J Sexton, D Cashman, T O'Brien, H Maguire, N O'Sullivan, S Murray

Marts Committee

Raymond Dempsey, Martin Caufield, John O'Brien, Dan Reilly, Charlie Doherty, Martin McNamara, Tom Leahy, James Donnellan, Dessie Boylan, Michael O'Dwyer, Tom Doyle, Tom Brooks, Padraic Gibbons, Denis Cronin, Tom Hughes, Liam Nolan, Jimmy Roche, Michael Spellman, Dermot McCarthy.

Rural Development Committee

D Boylan, T Corcoran, L Tinney, M Coleman, T Corcoran, M O'Dwyer, P Gibbons, JJ O'Brien, A Leddy, C Calnan, J Brosnan, J Sexton.

The Board appointed the President, the two Vice-Presidents, together with Michael O'Dwyer, Padraic Gibbons and Patsy Kelleher to the **Finance Sub-Committee**.

The Board also appointed the **Rules and Structures Committee** comprising of the President, the two Vice-Presidents, Padraic Gibbons and Patsy Kelleher, Michael Walsh and Noel O'Sullivan. The committee met twice during the year.

Members appointed to the Board of **Co-op Travel** were as follows; James Brosnan, Lexie Tinney, Billy Nagle, Michael O'Dwyer, Seamus O'Donohoe and John Tyrrell

The following were appointed to the **Board of ICOS Services Ltd.** Dessie Boylan, Tom Corcoran, Lexie Tinney, John Tyrrell and Seamus O'Donohoe.

The Board appointed Dessie Boylan, Donal Cashman, Billy Nagle Michael O'Dwyer, Tom Corcoran, John Tyrrell, and James Brosnan as Board Members of the **Irish Foundation for Co-operative Development Ltd.**

The Board also appointed the following Chairmen of the **Expert Committees**:

Dairy	James Brosnan
Marts	Lar Carroll
Rural Development	Padraic Gibbons

New Societies, Alteration of Rules and Amalgamations

During the year, 62 new co-operatives were assisted in their registration by ICOS. As in the previous year the incorporation of group water schemes as co-operatives was the most common category of new society.

In addition to new incorporations, eight existing co-operatives were involved in a complete amendment of the society's rules. A further 46 societies were involved in partial amendment to their rules.

There was one amalgamation during the year.

PERSONNEL CHANGES

During the year Maurice Colbert retired as Livestock Services Executive, having worked for over 35 years for ICOS. TJ Flanagan replaced him in July. Mary Johnston joined ICOS in October as Member Development Executive, working from the Dublin Office. Katy Armstrong was also recruited during the year as Press & Communications Officer.

REPRESENTATIVES OF ICOS ON OTHER BODIES

Paddy O'Brien represents ICOS on the Board of the **Irish Dairy Board Co-operative Society Ltd.** and Donal Cashman represents ICOS and is the current chairman on the Board of **IFAC Ltd.**

ICOS is also entitled to appoint representatives on various other organisations. Amongst those are the following:

Teagasc:	Michael O'Dwyer
NDC:	Billy Nagle
NESC:	Seamus O'Donohoe
Milk Quota	
Appeals Tribunal:	John Tyrrell
Review Group:	George Kearns
PPF:	Dessie Boylan/John Tyrrell

Monitoring Committees for the **Structural Funds Operational Programmes** on:

Enterprise:	Martin Varley
CSF:	John Tyrrell
P and R:	Dessie Boylan

CSO Agricultural Statistics Committee: Seamus O'Donohoe

In addition to the above nominations, ICOS, as a member of the Farming Pillar, shares nominations with the other Farm Organisations on County Enterprise Boards and County Development Boards throughout the country.

NEWLY REGISTERED SOCIETIES

Gurteen Carawkeel Group Water Scheme Co-operative Society Ltd	Co. Mayo
Kylemore-Abbey Group Water Co-operative Society Ltd	Co. Galway
Bonane Community Co-operative Society Ltd	Co. Kerry
Carrowmoreknock Group Water Scheme Society Ltd	Co. Galway
Coogue Water Scheme Co-operative Society Ltd	Co. Mayo
St. Mullins Parish Group Water Scheme Society Ltd	Co. Carlow
North West Organic Co-operative Society Ltd	Co. Donegal
Straide Group Water Scheme Co-operative Society Ltd	Co. Mayo
Mayo-Abbey Group Water Scheme Co-operative Society Ltd	Co. Mayo
South Eastern Blonde d'Aquitaine Cattle Breeding Organisation Society Ltd	Co. Dublin
Drakelands Co-operative Society Ltd	Co. Kilkenny
Cornalassen / Caggle Group Water Scheme Co-operative Society Ltd	Co. Roscommon
Brierfield Group Water Scheme Society Ltd	Co. Galway
Glenfarne Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Ardvoley-Killavoggy Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Elton Sportsfield Co-operative Society Ltd	Co. Limerick
Gortletteragh Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Glencar Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Newtown Group Water Scheme Co-operative Society Ltd	Co. Kilkenny
Drumgole Group Water Scheme Co-operative Society Ltd	Co. Monaghan
Culfadda Group Water Scheme Co-operative Society Ltd	Co. Sligo
Corrawallen Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Knockaunakill Group Water Scheme Co-operative Society Ltd	Claremorris
Doongeela Group Water Scheme Co-operative Society Ltd	Co. Sligo
The Kerry Cattle Society of Ireland Ltd	Co. Kerry
Comharchumann Forbatha Group Uisce Oiligh	Co. Mayo
Cloone Agricultural Show Co-operative Society Ltd	Co. Leitrim
Ionad Teampall Chroine Society Ltd	Co. Donegal
Liffey Sound Communications Co-operative Society Ltd	Co. Dublin
CUDA Co-operative Society Ltd	Co. Dublin
Loughside Group Water Scheme Society Ltd	Co. Leitrim
Gortconnellan Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Shraheen Auhagower Group Water Scheme Co-operative Society Ltd	Co. Mayo
Rossport Group Water Scheme Society Ltd	Co. Mayo
Moyglass Group Water Scheme Co-operative Society Ltd	Co. Galway
Tarmon Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Cregganbaun Group Water Scheme Society Ltd	Co. Mayo
Ballinguyroe & Tankardstown Group Water Scheme Co-operative Society Ltd	Co. Cork
Cunnahurt Knockalton Group Water Scheme Co-operative Society Ltd	Co. Tipperary
Glenboy Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Rathmoylan Group Water Scheme Co-operative Society Ltd	Co. Meath
Gorvagh Drumlowan Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Barnagh Glendarraough Group Water Scheme Co-operative Society Ltd	Co. Limerick
Munster Growers Producer Organisation Society Ltd	Co. Cork
Coolcrieve / Lismoyle Group Water Scheme Co-operative Society Ltd	Co. Leitrim
Kilmovee / Urlaur Group Water Scheme Co-operative Society Ltd	Co. Mayo
Performing Arts Co-operative Society Ltd	Co. Kildare
Kilteel Group Water Scheme Co-operative Society Ltd	Co. Kildare
Shadlough Group Water Scheme Co-operative Society Ltd	Co. Roscommon
Borrmount Group Water Scheme Co-operative Society Ltd	Co. Wexford
Comharchumann Naionra Cois Fharrage Teorante	Co. Mayo
Slievefinn, Cregg, Group Water Scheme Co-operative Society Ltd	Co. Galway
Comharchumann Na nOilean Beg Teorante	Co. Donegal
Killinkere Cross Group Water Scheme Co-operative Society Ltd	Co. Cavan
Mountain Park Group Water Scheme Society Ltd	Co. Louth
Carnmore No. 1 Group Water Scheme Co-operative Society Ltd	Co. Galway
Drummin Group Water Scheme Society Ltd	Co. Mayo
Castlerahan, Mounnugent, Munterconnacht Group Water Scheme Co-op Society Ltd	Co. Cavan
Laha Group Water Scheme Co-operative Society Ltd	Co. Tipperary
Breffni Chicken Growers Co-operative Society Ltd	Co. Monaghan
Benbulbin Group Water Scheme Co-operative Society Ltd	Co. Sligo
Meelick Group Water Scheme Co-operative Society Ltd	Co. Mayo

RULE AMENDMENTS AND AMALGAMATIONS

Complete Amendments

Name of Society

Bohola Agricultural Co-operative Society Ltd
Oldcastle Co-operative Creamery Ltd
Clogherhead Fishermen's Co-operative Society Ltd
Carbery Creameries Ltd
Killybegs Fishermens Organisation Society Ltd
Tydavnet Group Water Scheme Co-operative Society Ltd
Kenagh Community Co-operative Society Ltd
Kerry Co-operative Creameries Ltd

County

Co. Mayo
Co. Meath
Co. Louth
Co. Cork
Co. Donegal
Co. Monaghan
Co. Longford
Co. Kerry

Partial Amendments

Name of Society

Gowlan Group Water Scheme Society Ltd
National Co-operative Farm Relief Services Ltd
Irish Farm Relief Society Ltd
FRS People Placements Society Ltd
South Teffia Co-operative Society Ltd
Ballyjamesduff Co-operative Livestock Mart Ltd
National Federation of Group Water Schemes Co-operative Society Ltd
Tipperary Mushroom Producers Organisation Society Ltd
Limerick / North Cork Farm Relief Services Co-operative Society Ltd
Irish Horse Board Co-operative Society Ltd
South Tipperary Farm Relief Services Ltd
Crosserlough Co-operative Agricultural Society Ltd
Inishowen Co-operative Society Ltd
I.A.W.S Ltd
Castaway Actors Agency Ltd
FRS Solutions Group Society Ltd
Arrabawn Farmer's Co-operative Society Ltd
Kilconnell Co-operative Society Ltd
West Clare Development Co-operative Society Ltd
ICOS Ltd
Tullyinchin Group Water Co-operative Society Ltd
Irish Horse Board Co-operative Society Ltd
National Co-operative Pig Producers Society Ltd
Irish Charollais Sheep Society Ltd
Compsey Creamery Society Ltd
Mullinahone Co-operative Dairy Society Ltd
South Eastern Cattle Breeding Society Ltd
Roscrea Marts Society Ltd
Glanbia Services Society Ltd
Glanbia Meats Society Ltd
Glanbia Ingredients Society Ltd
Glanbia Foods Society Ltd
Central Dairies Society Ltd
Alanfield Society Ltd
Premier Tir Laighean Society Ltd
Golden Vale Co-operative Society Ltd
Kerry Co-operative Creameries Ltd
Kerry Creameries Ltd
KMP Co-operative Society Ltd
Castleisland Cattle Breeding Society Ltd
North Kerry Farmers Co-operative Development Society Ltd
Geashill Association for Rural Development Society Ltd
Ballyduff Co-operative Development Society Ltd
Wexford Milk Producers Ltd
Offaly Quality Lamb Producers Co-operative Society Ltd
Caherline / Newtown Group Water Society Ltd

County

Co. Cavan
Co. Tipperary
Co. Tipperary
Co. Tipperary
Co. Meath
Co. Cavan
Co. Dublin
Co. Tipperary
Co. Limerick
Co. Dublin
Co. Tipperary
Co. Cavan
Co. Donegal
Co. Dublin
Co. Dublin
Co. Wexford
Co. Tipperary
Co. Limerick
Co. Clare
Co. Dublin
Co. Cavan
Co. Dublin
Co. Cork
Co. Cork
Co. Tipperary
Co. Tipperary
Co. Tipperary
Co. Kilkenny
Co. Kilkenny
Co. Kilkenny
Co. Kilkenny
Co. Kilkenny
Co. Kilkenny
Co. Kilkenny
Co. Limerick
Co. Kerry
Co. Kerry
Co. Kerry
Co. Kerry
Co. Kerry
Co. Offaly
Co. Wexford
Co. Offaly
Co. Limerick

Amalgamation of Societies

Belmont Group Water Scheme Society Ltd, Milltown North East Group Water Scheme Society Ltd and Milltown Group Water Society Ltd, Co. Galway

Policy Development Division

INTRODUCTION

During the year, the Policy Development Division actively monitored EU and national policy issues of relevance to the milk, meat and cereal sectors. In particular, the key issues at EU level included the EU Enlargement negotiations, the Fischler Mid Term Review discussion paper and the ongoing Doha WTO negotiations, as well as the level of support for milk products. In addition, other key national issues included the milk quota restructuring and temporary leasing schemes, the national quota position, health and hygiene issues and the new Irish partnership scheme. In the livestock marts sector, intensive lobbying led to a relaxation in the rules concerning the movement of cattle within a 30-day period. In addition, new electronic display requirements and CMMS issues affected the mart sector.

Mid Term Review Discussion Paper

The Commission presented its Mid Term Review (MTR) paper in July 2002. While the Agenda 2000 Agreement provides for a review, the paper included significant proposals to change the CAP, including decoupling of direct payments from production, modulation, which would involve reductions in direct payments over certain limits, and a further reduction in cereal intervention prices.

In the milk sector, the discussion paper included an assessment of four options, without recommending any of the four options. The options included:

- Continuation of the Agenda 2000 agreement to 2015, including the 15% butter and SMP intervention price cuts, partial compensation, and a 2.4% quota increase over the 2000 to 2007 period.
- Repeat the Agenda 2000 approach involving an additional 10% price cut (25% in total), an additional 3% quota increase, and partial compensation.
- Introduction of a two tier quota regime, including 5% reduction in the A quota and an unlimited export C quota.
- Removal of quotas after 2008 combined with about a 40% intervention support cut in total, with partial compensation.

ICOS opposed the depth of the proposals included in the MTR discussion paper. In particular, ICOS opposed the milk sector options, which would have led to increased price reductions and it questioned if it was necessary to implement the 15% milk support price cut. ICOS also outlined its concerns relating to the negative effects that could arise from decoupling and it totally opposed modulation, which would reduce direct payments. ICOS Board and staff representatives outlined their position in meetings with Minister Walsh, department officials, and at EU Commission Standing Committee meetings on the proposals for the CAP, milk etc.

WTO Negotiations

The Doha Round of WTO negotiations intensified as the year progressed, with the preparation of the Commission's modalities offer in December. ICOS assessed the potential impact of the draft EU offer and sought clarifications and changes before the EU offer was finalised. The EU offer was submitted to the WTO in January 2003, on the understanding that it did not go beyond the EU's mandate provided by the Agenda 2000 agreement.

Market Supports

The market for milk products weakened considerably throughout the first half of 2002, especially for milk powders. ICOS and dairy co-operatives launched a campaign to have milk sector export refunds and casein aid increased to offset the effects of the weakening market. This involved two "Milk Summits", in May and July, in which Minister Walsh met with ICOS, dairy co-operative and the farmer organisation representatives to review the support increases that were required. In addition, ICOS regularly briefed the EU Commission's milk sector officials on the strong case that existed for significant refund



Dessie Boylan, ICOS President and John Tyrrell, ICOS Director General, meeting with the Minister for Agriculture & Food, Joe Walsh TD in Brussels, after the launch of the MTR proposals.

and casein aid increases. However, while the EU Commission did substantially increase these supports, the scale and the timing of the increases did not match the weakening market situation. This led to the annual 109,000 tonne limit for SMP intervention purchases being exceeded in June and the Commission decided to introduce tendering above that level.

In the autumn, ICOS, the Minister and the farmer organisation representatives intensified their lobbying for better milk sector supports and met Commissioner Fischler in November. This was followed up by a detailed joint ICOS/IDB submission in December, which highlighted the need for improved market support management so that EU prices would be allowed to lift 5% above the intervention floor price. This submission was discussed in detail with the EU officials in January to establish an approach, which would ensure better supports in 2003.

ICOS also continued to monitor the level of EU supports for the other sectors including beef, sheepmeat, pigmeat and crop products. In particular, the need to ensure that the EU would remain competitive in both beef and live export markets was a key issue, as well as arrangements concerning live exports to Northern Ireland.

Strategic Development of the Co-op Dairy & Mart Sectors

With a view to assisting a continued strategic development of co-operatives, the Policy Development Division participated in a number of discussions with co-operatives throughout the year. These discussions, built on the information provided in the ICOS Dairy Strategy Review of the Irish Dairy Sector published in May 2000 and the ICOS Strategy for the Development of Co-operative Marts published in November 2000. In the dairy sector, these discussions took account of the potential impact of CAP reform, world trade and EU enlargement developments for these businesses. In addition, ICOS participated in the joint Department, Enterprise Ireland and industry commissioned strategic review of the dairy sector. In the livestock mart sector, the division carried out a strategic review with a number of mart groupings. Because of the ongoing reduction in mart throughput, ICOS is assisting an increasing number of marts in preparing strategic and business plans for the future.

Information Services

Throughout the year the division continued to supply information to its member co-operatives on relevant policy issues. This information is provided through timely reports on EU milk management committee meetings, other working meetings at EU and national level, Council of Minister reports, quota review committee reports and regular ICOS Committee and Board and Council presentations. In addition, ICOS issues a monthly Dairy Newsletter and a bi-monthly Livestock Newsletter for co-operative marts. The division also participates in a range of co-op organised information meetings for co-op management, committees and boards and public supplier meetings.

International Consultancy

The division also managed a large-scale consultancy project in Central Europe in conjunction with COPA/COGECA and LRF, the Swedish farmer and co-operative organisation. This EU Commission funded project provided increased levels of information on the CAP, to farmer and co-operative organisations in the new accession countries and organised an increased level of their participation in COPA and COGECA meetings. In addition, a high level group of Central European co-op participants visited Ireland in May 2002 to assess how the Irish co-op sector had developed since EU membership. The project was completed in June 2002 and it was rated by the participants as highly successful. The ICOS international consultancy subsidiary continued to tender for new projects throughout the year.

ICOS DAIRY COMMITTEE

Introduction

In April, members of the Dairy Committee were saddened to learn of the death of Mr. Michael O'Brien who had been Chairman of the Dairy Committee from July 1996 to July 2000. Mr. O'Brien, former Chairman of Tipperary Co-operative, had also served for a number of years on the ICOS Council and Board.

Milk Quota

Milk quota became an area of unprecedented attention during the past year as the usual discussion on the national supply position and butterfat were supplemented by a national debate on the future of milk quota management.

Quota Profile: Department figures indicate that the number of active dairy farmers has declined by 10,000 over the past 7 quota years. The average quota size is 41,500 gallons. A few co-operative areas have an average quota size of over 50,000 gallons while a few others have an average quota size of just under 30,000 gal-

Milk Quota Structure in Ireland 1996 V's 2002

Number of products by category

Category Quota Size	1996		2002		Change 1996 V's 2002
	No. of Producers	% of total	No. of Producers	% of total	
Under 180,000 Litres	28,990	79	14,767	55	-49%
180,000 to 275,000 Litres	4,229	12	7,398	28	+75%
Over 275,000 Litres	3,529	9	4,470	17	+27%
Total	36,748		26,635		-28%

lons. However, in some of the co-operatives, where the average is over 50,000, over 50% of the producers have a quota less than 40,000 gallons.

National Position: The last three months of the quota year 2001/2002 saw a drastic reduction in milk supplies with the country finishing just under two million gallons over quota. This was a major turnaround from twenty four million gallons over quota at the end of December. In the year 2002/2003 the difficult farming conditions of the early summer had a direct knock on effect on milk supply. Two million gallons are available through the national temporary leasing scheme. However, in some respects this could give an incorrect signal that an over quota position was avoidable. Weather conditions and fodder quality will again determine the supply in March. On March 26th, ICOS projected and over quota position at the quota year end of one million gallons. The excess butterfat in the quota system currently accounts for an additional 30 million gallons supply. The rate of superlevy is €1.6677 cent per gallon or 36.6853 cent per litre.

Future Milk Quota Management: Conscious of the impact Agenda 2000 would have on the dairy farmer, ICOS conducted a survey of our co-operatives by questionnaire, in an effort to establish the main criteria for future milk quota management. The Department of Agriculture also held a separate Quota Review Group meeting on the topic. In August, all co-operative advisory staff discussed draft proposals from the ICOS Quota Sub-Committee. The proposals were later discussed by the ICOS Dairy Committee at its September meeting and approved by the ICOS Council later that month and then presented to the Department. The main recommendations, which had the support of the majority of our co-operative members, were as follows:

- **Price:** The price for restructured quota is retained at the current level for two years, with the Minister indicating that following that two-year period there would be a substantial reduction in the price.
- **Floor Price:** No floor price is realistic without taking on board the projected market returns for dairy products and the corresponding producer price.
- **One-Year Temporary Leasing:** A phasing down of the three-year temporary leasing of an entire quota to one year was also supported.
- **Quota Utilisation:** The definition of quota utilisation for the 70% requirement to cover supply only.
- **Allocation Priority of Restructured Quota:** ICOS recommended restricting allocations from the restructuring scheme to producers 92/46 compliant.
- **Quota Bands:** Increase both bands by 25,000 litres (5,500 gls).
- **Allocation Ratio:** Retain the current 3:2:1.
- **Young Producers:** ICOS supports a structure whereby sons and daughters of existing producers be accommodated within the young producers allocation.
- **Flexibility:** In the cases of limited quota availability for the restructuring scheme eg: less than 1.0% of the purchasers quota, it is recommended that the milk purchaser should have flexibility on the current scheme to make meaningful allocations by lottery.
- **Temporary Leasing:** ICOS favours a closing date of the 28th of February. It is also suggested that the scheme should run over two phases with the first phase ending at the end of August and the second finalised by the end of February.

In its submission, the Dairy Committee also emphasised that the entitlement to premia payments under the Mid Term Review could have a major influence on restructured quota and confirmation would be required before the commencement of the quota year 2003/2004.

ICOS also noted that its own analysis of Agenda 2000 indicated that the typical dairy farmer will need to increase output by a minimum of 25% to maintain real income in 2007 at 2000 levels. However, given that the current level of re-structuring, is less than 2%, the objective of achieving this level of growth will not be reached

within the time frame, unless circumstances and related rules change. This was a theme taken up by the Minister at the Teagasc Conference in Killarney when he said “We need first of all to look at ways of attracting increased quantities of quota into restructuring to try to satisfy the demands of those who need to increase quota size. With the help of the Quota Review Group, I have been considering mechanisms, which will help to achieve this. The question of price is an obvious one to look at in this context. As you know the lack of quota for restructuring particularly in some parts of the country is a serious problem.”

Quotas Scheme 2002/2003

The Minister for Agriculture has accepted the main recommendations from the Quota Review Group meeting of the 24th of January in regard to quota schemes for the current quota year.

Temporary Leasing: The temporary leasing of an entire quota will be reduced to one year from the current three years.

70% Utilisation Requirement: The Department re-stated the Commission view that temporary leasing does not count in meeting this requirement.

Category Bands: The recommended quota bands from the 1st April 2003 are:

- Category One - 200,000 litres (44,000 gls)
- Category Two - 300,000 litres (66,000 gls)
- Category Three - over 300,000 litres.

Allocation Ratio: The recommendation ratio is 4:3:1 but flexibility may be approved by the Department where particular circumstances warrant it.

New Entrants: 25% of a purchaser’s pool will be set aside for new and recent entrants. The current minimum allocation, 50,000 litres, is retained for new entrants. Sons and daughters of existing producers with a quota of less than 300,000 litres will be entitled to an allocation in their own right, by way of partnership with the parent. In the coming year the parent will not be entitled to an allocation.

Dairy Partnerships

On the 21st of March 2002, the Minister signed the Statutory Instrument enabling milk production partnerships to be established. While the number of partnerships registered under the legislation is still in single figures, a wider group of dairy farmers have examined the legislation. In addition, the Working Committee has made a number of recommendations to the Minister in an effort to facilitate a wider participation. The main recommendations are as follows:

- The off-farm income restriction should only apply to the years when in partnership.
- The 4:1 quota ratio limit should be applied to all producers.
- Provision should be made to allow for exemptions to be given for disposal of agricultural assets during the term of the partnership under specifically defined conditions to be set out in the S.I.
- The requirement to have farmed separately for three years prior to entry into partnership should be removed.
- The need for exemptions to be acquired in the case of lease renewals should be removed.
- Provision should be made to allow for the retirement and replacement of a partner in an MPP by a family successor during the term of the partnership provided that he/she does not (continue to) farm outside the partnership.
- The upper age limit should be increased from 55 to 60 for entry into a partnership.



Pat Cox, MEP, John Tyrell, ICOS Director General and Seamus Phelan, President Macra na Feirme, at the launch of the MTR proposals in Brussels in January.

Hygiene Regulations

The Department of Agriculture and Food requested a meeting with ICOS and co-operative representatives in regard to the foregoing. The meeting was held at the Department on the 7th of January 2003.

The Department of Agriculture and Food indicated to ICOS that they have now initiated a programme of intensifying the on-farm inspections under Council Directive 92/46. The Department will also examine the existing legislation and possible changes to incorporate on-farm inspection by the milk purchaser. The immediate priority is the completion of the initial inspection under the Directive. The Department's position is that they now needed to move to the next phase, which will be a monitoring role in the form of re-inspections. The Department will carry out a risk analysis and also handle particular cases referred to them by the co-operative advisory staff. The Department are anxious that the co-operatives would take on the role of maintenance of the standards at farm level.

The Commission have proposals that almost twenty Directives, including Council Directive 92/46 would be brought together under five linked documents relating to Food Hygiene, Hygiene of Products of Animal Origin, Controls of Products of Animal Origin and Feedstuffs, and Animal Health Rules for Animal Products of Animal Origin. The aims of the proposals are to introduce farm to four principles to food safety, ensure traceability of food, food ingredients and feeding stuffs, increase the emphasis on food business' responsibility to produce safe food (including primary production) and legislation, which will be less prescriptive with greater emphasis on codes of good practice.

In many respects, the Department's decision is a preparation for the new and wider EU regime of quality standards and traceability.

Veterinary Certificates

The Department reported that some progress has been achieved in discussions between various parties concerning the putting in place of new on-farm health certification this year.

Paratuberculosis

In July co-operatives circulated to individual producers the Department booklet on paratuberculosis. Concern continues to grow in veterinary circles and in the Food Safety Authority that the incidence of Johnes Disease has increased at EU level. Prior to 1992, import control required one pre and post import test and quarantine. However, since 1992 unrestricted importation from Europe has to be allowed under the terms of inter-Community trade. For the period 1992 - 1996 cattle imports from EU countries amounted to 37,529 with 16,476 coming from the Netherlands, where 50% of the herds are infected. It is hoped that the Department booklet and the other awareness/education programmes through the co-operative will alert the dairy producer to appropriate milk management practices which could eliminate the disease.

Revised Structure for the Dairy Committee

The ICOS Dairy Committee proposed and the ICOS Board approved a revised nomination structure to the Dairy Committee. The structure, which came into operation in 2002, entails that the ICOS Board will nominate eight persons directly to the Dairy Committee and the balancing four representatives will be nominated by relevant co-operatives on a rotational basis from two specified regions. The revised structure means that every dairy co-operative affiliated to ICOS will at some future date be in a position to nominate a representative to the Dairy Committee.

NATIONAL CO-OPERATIVE MARTS COMMITTEE

Introduction

2002 brought some personnel changes in the ICOS National Co-operative Marts Committee. In June, following the retirement of Maurice Colbert after 36 years service with ICOS, he was replaced by T.J Flanagan.

The sad death occurred on Monday the 30th of September of Mr. Lar Carroll, the Chairman of the ICOS National Co-operative Marts Committee. Throughout his life, Lar gave trojan service to Irish farmers and co-operatives at local and national levels, spanning six decades. Lar's position on the ICOS Council and Board as well as Chairman of the National Co-operative Marts Committee was filled by the Vice-Chairman, Mr. Tom Doyle of Wexford Farmers Co-operative.

Despite personnel changes and the sad loss of its Chairman, the Marts Committee had an extremely active year working for a sector, which was once again trying to find its feet after the extremely disruptive effects of Foot and Mouth Disease closures. The Marts Committee met on five occasions during the year. There were also frequent meetings with livestock mart managers in regional locations.

European Associated Livestock Markets AGM

ICOS hosted the AGM of the European Associated Livestock Markets in the Celtic Ross Hotel, Rosscarbery, West Cork in April 2002. The event was to take place in May 2001, but was rescheduled due to the outbreak of Foot and Mouth Disease.

The meeting was attended by approximately 200 people from France, Scotland, Wales, England, Northern Ireland, Spain, Belgium, Holland and Ireland and was addressed by speakers from Scotland, France, Belgium, Ireland and the European Commission.

The Conference entitled, "Markets in the New Livestock Economy", was a huge success and did much to raise the morale of all those in the European Livestock sector after the enormous difficulties encountered during the Foot and Mouth Disease outbreak the previous year.

Trade Levels

2002 was a difficult year for the livestock marts sector. Trade levels were down approximately 18% on average nationally with variations across the regions. As a result of the increased slaughter premium for finished cattle, the trade in finished stock through livestock marts declined to a low level, resulting in reductions in trade levels in those parts of the country traditionally associated with the finishing of cattle. Trade levels have remained relatively stronger in those areas where suckling and the sale of weanlings dominate.

Two Sales in 30 Days and Electronic Displays

During 2002, ICOS worked hard to achieve the removal of the 30-day retention period for the sale of livestock. The outcome was that two sales were permitted in marts within the 30-day period, from mid-year. Increased electronic display of information was introduced as a requirement at the same time, despite ICOS opposition to this requirement being mandatory, to the exclusion of other display methods. A concession was granted for sheep sold in pens but the requirement was applied to cattle sales.

Statutory Instrument 188 of 2002, which came into operation on the 1st of July, required that all livestock marts indicate by electronic means the name of the vendor of stock presented for sale in the mart, whether or not he or she was a dealer and also the test status of the animals. This requirement put an additional significant burden on individual livestock marts, with the prices up to €30,000 per sales centre quoted for the provision of the electronic display materials.

The National Marts Committee lobbied for the provision of Departmental funding for the electronic displays but this did not succeed. However, ICOS successfully negotiated a delay in the introduction of the Statutory Instrument to facilitate livestock marts to investigate thoroughly all the options which were at their disposal in order to minimise the cost exposure as a result of the Statutory Instrument.

CMMS

During 2002, the National Co-operative Marts Committee conducted a survey of all co-op marts, to establish the real cost to livestock marts of operating the C.M.M.S system. It is widely felt that the system as it is currently constituted places an excessive cost burden on marts, which are already suffering due to revenue loss.

The results of this survey have been discussed with relevant Department officials with a view to achieve significant simplification of the C.M.M.S system as well as improvements in its efficiency and effectiveness. Representatives of the Committee now meet with Department officials on a quarterly basis to review the performance of C.M.M.S. In addition, ICOS will require that the real additional cost of marts operating any changes to the C.M.M.S must be fully provided for in the future.

Live Exports to Northern Ireland

The live export of young stock to Northern Ireland has become a significant market outlet particularly for those livestock marts operating in the border region. Unfortunately, new EU Labelling Requirements implemented in January 2002 pose a significant threat to this market. The interpretation of these requirements allowed UK multiples to discriminate against stock, which were exported from the Republic into Northern Ireland during their lives. The National Co-operative Marts Committee has lobbied and continues to lobby to bring about a more pragmatic interpretation of the regulations, thereby, facilitating to continue the trade of young stock to Northern Ireland.

Live Shipping to Continental Europe

In April 2002, the Scientific Committee on Animal Health and Animal Welfare acting on behalf of the European Commission released a report which questions some aspects of the current live transport regime for cattle and sheep and indicated that significant changes would need to be brought about to improve Animal Health and Animal Welfare. Since then, ICOS has worked closely with Commission officials, other farming organisations and researchers internationally, to increase the objectivity of the scientific approach in assessing the issues. The ICOS work also highlighted the importance of the continuance of the live transport of young stock from Ireland to the Continent as well as to demonstrate the effectiveness of the control mechanisms that currently exist. Commission officials are expected to publish detailed proposals in the near future.

Mid Term Review: Effects of Decoupling

The National Co-operative Marts Committee continues to argue strongly that the proposed decoupling of all agricultural support payments will have a significant effect on livestock numbers as well as throughput in livestock marts. The effect will be particularly acute given the huge dependence of livestock marts on the suckler herd and weanling cattle, particularly in the West of Ireland. It is predicted that suckler cow numbers could be dramatically reduced in the event of decoupling and that the effects of this will be felt directly in the sales ring.

ICOS BRUSSELS REPRESENTATION

All elements of EU policy of relevance to ICOS and its member co-operatives are monitored by the responsible ICOS officials in conjunction with the ICOS office in Brussels.

The ICOS Brussels office acts as a link between the European Institutions and the Irish co-operative movement. The office provides information on aspects of EU policy as well as details on likely future developments and facilitates ICOS staff and co-operatives in meeting decision-makers in the European Commission and Parliament. ICOS maintains regular contact with the European institutions and EU based organisations to ensure that relevant policy issues are actively monitored and that ICOS and member co-operative positions are clearly represented to key decision makers.

ICOS plays an important role in influencing the development of European agricultural policy through direct contact with key decision makers at European level. In 2001, the dominant issues were the Mid Term Review of the CAP and the WTO negotiations. In July, the European Commission published draft proposals on decoupling farm support and modulation, which would reduce support payments by 20% to farmers in order to fund rural development. Both the US and the EU published papers in 2002 setting out suggestions for the WTO negotiations but with a wide gap between them in terms of approach.



Representatives from ICOS and Irish Co-ops meet with John Cushnahan, MEP, during the Farmer's Rally in Strasbourg in June 2002.

In particular, the ICOS Brussels office worked closely with the responsible ICOS executives in Dublin who are responsible for assessing the detailed needs of ICOS members in relation to all relevant EU and WTO policy issues, in consultation with ICOS members, committees, Board and Council. In this way, ICOS policy positions have been developed in Ireland on a range of issues, included those outlined below, and these positions have been represented directly and indirectly to the Commission by the responsible ICOS representatives in Ireland, in conjunction with the Brussels office.

The range of issues included the following:

- Market supports for the milk, meat and crop sectors
- The Mid Term Review of the CAP
- The WTO Doha Negotiations
- EU Enlargement
- Review of Veterinary Medicines Legislation
- Statute for a European Cooperative Society
- CAP Budget
- Sixth Framework Research Programme
- US Farm Bill
- Foot and Mouth Disease
- European Convention
- Rural Development
- Food Safety
- Environment Issues
- Animal Transport & Welfare

ICOS representatives represent ICOS and Irish co-operatives on a range of EU Commission Standing Committees and related COPA/COGECA working committees. These fora present a direct opportunity for ICOS representatives to present ICOS policy views on the ongoing operation of EU regimes and policy, as well as large-scale reforms arising from the Mid Term Review, WTO negotiations and EU enlargement. The EU Commission Standing Committees meet approximately three times per year and ICOS representatives input into the formulation of an EU COPA/COGECA position at the relevant preparatory meetings held in advance of the Standing Committee meetings.

ICOS Representatives on Brussels Based Committees:

Representation Topic	Cogeca	Eu Standing Committee
COGECA Praesidium:	Dessie Boylan John Tyrrell	
CAP	John Tyrrell	John Tyrrell
Milk & Dairy Products	Martin Varley	Martin Varley
Beef	TJ Flanagan	TJ Flanagan
European Association of Livestock Marts	Tom Doyle TJ Flanagan	
Feedstuffs	Eamonn Walshe (Glanbia)	
Renewable Energies	Kieran Calnan (SWS)	Kieran Calnan
Seeds	Gerry Griffith (IAWS)	Gerry Griffith
Agricultural Structures	Mary T Johnston	Mary T Johnston
Environment	Michael Quigley	
Oilseeds	John Ric (Glanbia)	John Rice
Animal Breeding	Bernard Eivers (Progressive Genetics)	
Veterinary Matters	TJ Flanagan	
Legal Questions	Seamus O'Donohoe	
Training	TJ Flanagan	
Fisheries	Mark Lochrin (IFPO)	
Aqritourism	Seamus O'Donohoe	
Quality & Health	George Kearns	George Kearns

COGECA

ICOS is a member of COGECA, the umbrella body for co-operatives in the EU and has maintained an office since 1973. COGECA provides ICOS with a forum to meet its counterparts from the other member states of the European Union, to develop common positions and to lobby collectively in Brussels for co-operatives in Europe. Representing over 30,000 co-operatives, COGECA is an influential voice in Brussels. Mr. Marcus Borgström, a farmer and co-op director from Finland, is the current President of COGECA.

On 11th June 2002, nearly 20,000 farmers from all over Europe participated in a rally in Strasbourg, France to highlight the difficulties faced by agriculture throughout Europe. Irish co-ops were represented by Dessie Boylan, President; Pat McLoughlin, Arrabawn; John Lavin, Connaught Gold; John Walsh, Dairygold; Sean Murray, Tipperary. The delegation also took the opportunity to lobby Irish MEP's from Fianna Fáil and Fine Gael on the weak dairy market, the Mid Term Review, the WTO negotiations and the Nice treaty. The President of the European Parliament, Pat Cox, also met with the group.

In June, the ICOS President Dessie Boylan and the Praesidium of COGECA met the President-in-office of the Agriculture Council, Mr. Miguel Angel Arias Cañete in northwest Spain to discuss the Mid Term Review of the CAP. Mr. Boylan also paid a visit to a new co-op in the region called ICOS. This co-op was created through a merger of four existing co-ops and was named after the umbrella body for co-ops in Ireland following a visit to Ireland.

COGECA signed protocols of agreement with co-operative organisations from the applicant countries in Copenhagen in September. Dessie Boylan and John Tyrrell participated and also met with the Danish President of the Agriculture Council, Ms. Mariann Fischer Boel on the Mid Term Review of the CAP.

Member Development Division

EDUCATION & DEVELOPMENT

Director Development

This is the second year of the Diploma in Corporate Direction, delivered in conjunction with the Faculty of Commerce and Food Science and Technology in University College Cork. This innovative programme is specifically tailored to the needs of farmer directors of dairy co-operatives and is funded by the participant co-ops and Enterprise Ireland.

The 2002/3 course has nineteen directors, from eleven co-operatives, participating. The aim of the course is to equip participants with an understanding of the skills required to meet the strategic and operational challenges facing their businesses.



Participants on this year's Diploma in Corporate Direction. Left to right: Jim O'Brien (Kerry), Gene O'Reilly (Lakelands), Michael Kennedy (Arrabawn), Des O'Connor (Kerry).

This year's programme consists of eight modules and the participants will be exposed to a range of expert speakers from the dairy industry, finance, business and academia.

Plans are at an advanced stage for the 03-04 programme due to start in September.

National Federation of Group Water Schemes

Following on from the consultancy work ICOS was commissioned to do in 2001 on the future role and structure of the National Federation of Group Water Schemes, ICOS Services were asked to design a pilot trainers manual for directors of co-operative group water schemes and to run a series of pilot director development programmes on behalf of the NFGWS. The training programmes were completed in 2002 and it is anticipated that the production of a Trainers Manual will be completed early in 2003.

General Co-operative Training

The division contributes to the general co-operative training programmes of several institutions and during the year staff participated in, and contributed to, the development of programmes run by University College Dublin, Teagasc and the Waterford Institute of Technology.

The Division continued its programme of running a number of Director Development Programmes and Leadership Training Programmes for individual and groups of co-operatives, with programmes being run for Drinagh, Kilkenny Community Radio and for the co-operative livestock marts sector.

MEMBER RELATIONS

Plunket Award 2002

The 2002 winner of the Plunkett Award for Co-operative Endeavour was Mr. Billy Nagle.

Mr. Nagle's vision and leadership was deemed by the judges to have been instrumental in promoting the Co-operative movement at both national and European level over the last 40 years.

2002 National Conference

"Food Industry in a Changing Europe" was the theme speakers addressed at the 29th ICOS Annual National Conference that was held in the Castletroy Park Hotel, Limerick, in November 2002.



Dessie Boylan, ICOS President, presents the Plunkett Award for Co-operative Endeavour to Mr. Billy Nagle.



Speakers at the 29th National Conference. Left to right, John Tyrrell, ICOS Director General; Henrik Hoegh, Vice President, Danish Farmer's Union; Minister for Agriculture & Food, Joe Walsh T.D.; Dessie Boylan, ICOS President; and Mike Feeney, Director, Enterprise Ireland.

The conference was addressed by the Minister for Agriculture and Food, Mr. Joe Walsh T.D, President of the European Parliament, Mr. Pat Cox MEP, Mr. Henrik Hoegh, Vice President, Danish Farmer's Union and Mr. Mike Feeney, Enterprise Ireland, Director- Food, International Marketing and UK.

The second day of the conference was taken up with a series of workshops.

ICOS Website

The ICOS website was launched in July 2002. Located at www.icos.ie, the site is intended to be a source of information for our members, as well as companies or individuals with a professional interest in co-operatives.

The site has a variety of features designed to appeal to a wide range of users including:

- A 'Who's Who Directory', that allows users to browse through ICOS members and find useful contact information for all of the co-operatives listed.
- A 'News & Publications' section that provides access to a wide range of ICOS publications including Annual Reports (plus archives), ICOS strategy papers and ICOS conference and seminar papers.
- A 'Training & Education' section that provides information on training courses that ICOS is running throughout the country.
- A 'Useful Resources' directory that provides full contact details and direct web links to a variety of organisations and institutions associated with co-operatives throughout Ireland and the world.
- An 'About Co-ops' section that details the history, benefits and role of the co-operative movement, as well as offering information on how to start a co-operative.



The homepage of the ICOS website - www.icos.ie

In addition, the site provides comprehensive background information on ICOS such as history, structure, staff, services, recruitment and contact details.

Future enhancements to the site, to be implemented over the coming months, include a members area that will provide Dairy and Mart Division news.

RURAL DEVELOPMENT

ICOS Rural Development Committee

The ICOS Rural Development Committee, under the Chairmanship of Mr. Pdraig Gibbons of Connacht Gold Co-op, reviewed their strategy on projects this year and decided to build on previous work primarily in the areas of Rural Housing and Renewal Energy.

Rural Housing

Building on the research work done by this committee in the past, it was decided this year to investigate what regional and organisational policies are operating for building in the countryside. The integration of these policies could produce a best practice model for housing in rural areas.

Renewal Energy

This subcommittee facilitated a number of co-operatives coming together to form the ICOS Border Region Energy Group. This group, comprising Connacht Gold Co-op, Donegal Creameries, Lakeland Dairies, Town of Monaghan Co-op, Cavan Monaghan Rural Development Co-op, and the Western Forestry Co-op, has set as its aim the establishment of a mechanism for the maximum exploitation of the renewable-sustainable energy generation potential of the Border Region. The aim is to create a framework in the North West to encourage and inform co-operatives, the community and farmers of the benefits of rural owned and controlled energy production and to develop an appropriate co-operative structure to facilitate a joint ownership model. The group is communicating directly with Minister O'Cuiv to progress this initiative which can then be used countrywide.

Promoting the Co-operative Model

The Division continues its association with LEADER, County Enterprise Boards, Area Partnership Companies and the Area Development Management process and promotes the co-operative model for groups within the sector.

EU Advisory Committee on Rural Development

The COPA COGECA ad-hoc Working Group, Agricultural Development and Agricultural Structures, met twice during 2002. The meetings took place in advance of meetings of the European Commission Advisory Committee on Rural Development, or that Committee's Working Group. The committees focused on imminent changes in CAP and how these changes will impinge on rural development issues. As always with COGECA meetings, the main aim is to develop policies, which are acceptable to each of the member organisations.

Irish Milk Quality Co-operative Society

This Society represents the interested parties in the field in Milking Machine Technician Training, the co-operatives, machine manufacturers, technicians, and Teagasc. The chairman is Patrick Kelleher, Dairygold, with Mary Johnston, ICOS, as secretary.

The group ran a refresher-training programme in December 2002 for over one hundred technicians. This allowed them to be re-Certified and Registered as Milking Machine Technicians and Installers. The seminar gave delegates exposure to sessions on new research and operational problems with milking machines and a detailed overview of the challenge of litigation and insurance.

A technical working group is currently updating the guidelines for installation and the new register of trained members is currently being published.

The committee is planning an integrated training programme for the "Safe Pass" certification and is hopeful that negotiations for a group insurance will come to fruition. The committee has also re-assessed the strategic aims of the organisation to link the organisation's training and standards with the dairy industry and their certifiable, quality, clean food.

Irish Timber Growers Association

This National Association, formed in 1977, represents the interest of forest owners nationally and is managed by the Member Development Division.

The Association, which has in excess of 1200 members, provides technical services to members coupled with a lobbying and representative service within the forestry industry for timber growers. Members receive an annual yearbook, quarterly newsletters, a series of field days and a National Forestry Seminar each autumn. The organisation is grateful for the financial support of the Forest Service. It is facing the challenge of budgetary cuts in the government's support to the industry and is actively involved in the promotion of measures to minimise the implications of this in the long-term development of the industry.

Forestry Development Association

This co-operative, that was an innovative joint venture between Glanbia and the Irish Timber Growers Association, now has in excess of 300 active members, who benefit from the services of qualified foresters to advise them in the establishment of their plantations.



Members of FDA, Billy Cowman, Tom Cleere and Martin Vaughan with Mr. John Browne T.D, Minister of State for Marine and Natural Resources.

The aim of the co-op is to provide technical expertise and a degree of co-ordination to small-scale farm forest owners in the South East and Midlands. The foresters provide farm visits and discussion groups to help farmers with good husbandry practices in the establishment of their timber resource. As these plantations mature and approach first thinning stage, the co-op will provide the marketing and logistical expertise required to co-ordinate the harvesting and sale of the timber.

THE WESTERN FORESTRY CO-OPERATIVE

The Western Forestry Co-operative continues to promote farmer forestry in Western Counties. Progress continues to be made in winning farmer acceptance for the inclusion of a forestry crop as part of their farming enterprise. In addition to the progressive younger farmers, the co-operative continues to encourage traditional, aged and part-time farmers to become involved in planting.

The chain of farmer owned forestry co-operatives, established with the assistance of established dairy co-operatives and under the umbrella of the Western Forestry Co-operative, continue to provide their members with advice, information, representation facilities and management services.

Last year, it was reported that membership of the twenty co-operatives established now stands at 2,400 farmers who between them have planted 14,000 ha, of woodland.

The Western Forestry Co-operative recognises that it must be more pro-active in identifying and encouraging the establishment of marketing structures that will successfully market the timber produced by members. One initiative taken by the co-operative in 2002 was to commence a study with financial support from COFORD as to the viability of establishing a co-operative marketing structure that would assist farmers and small holders to market their thinnings and saw log as it comes on stream.

Approximately 500 co-operative members who planted before 1992 will have first thinning for sale within the next five years. Work continues to be done on these sites opening inspection paths, establishing roads and loading bays and encouraging the bundling of timber on neighbouring farms into viable lots.

Currently most of the timber offered for sale in the 32 counties carries a Forest Stewardship logo. All the main sawmills and board mills operate a chain of custody. Promoting 'Forest Certification' will encourage best practice in woodland management. We believe a certification programme is important, initially for farmers who planted before 1992.

For the future, timber offered for sale without a certification logo will be at a severe disadvantage. Accordingly, it is important that the forestry co-operatives ensure that their members do not suffer this disadvantage. The Western Forestry Co-operative is researching the viability of certification for smaller growers on a regional or group basis as a more practical means of engaging in certification.

HUMAN RESOURCES

2002 proved a difficult year in many respects. The realisation that the economy was in recession began to hit home. Union demands diminished in number and tended to centre on issues relating to individuals or small groups. However, marts in the west of Ireland experienced some difficulties with staff and auctioneers having joined a trade union. Marts are currently undergoing very difficult trading conditions due to a number of factors. The demands on time and resources for already stretched managers to deal with this caused a great deal of difficulties. However, the majority, if not all, the problems have been dealt with and marts can now get down to the business of securing their futures in the interests of customers, shareholders and staff.

ICOS provided an ongoing service to societies throughout the year, meeting managements on 21 occasions, trade unions on 14 and attending Rights Commissioner Hearings, Labour Relations Conciliation Conferences and Labour Court Hearings twice respectively. As this was the final year in the Programme for Prosperity and Progress National Agreement (PPF), and with unions adopting a more reserved approach than the previous year, the Industrial Relations Advisory Committee (IRAC) only met on one occasion.

ICOS was also involved in the Consultative Group, set up under the PPF, to consider the ESRI report on Male / Female wage differentials. This group met on eight occasions during the year. Its report should be concluded in 2003.

Skillnets Training

The ICOS Skillnets training project concluded its programme in March. In all, a total of 8 training courses were held involving 67 participants. Generally, societies were satisfied with the training provided and are looking forward to future programmes. A feasibility project was run in the last three months of the year with a view to assessing the requirements for training in safety and animal welfare in marts. It is hoped a programme can be developed during 2003 to ensure the promotion of best practice in these areas.

CORK OFFICE

The encouragement by ICOS among its member co-ops of the necessity to ensure that ownership and control of the co-operatives be held in the hands of the user members continued during the year, with more and more co-ops adopting policies on: distribution of bonus shares related to trade as well as encasement of shares held by non-active members and the putting in place of firm policies on membership criteria. However, because of the continuing decline in the number of active farmers and trading shareholders generally, many co-op boards, with ICOS assistance, are investigating other ways of ensuring that control of their businesses remain in farmer's hands. This work is detailed and requires in many cases imaginative amendments to the Rules of the co-ops concerned.

The cork office continues to provide services relating to the establishment of new co-ops, with a substantial growth in interest by those involved in fishing and aquaculture.

The office also provides secretarial and administrative services to a group of co-ops mainly in the Munster region who engage in the co-ordination of purchases of a wide range of agricultural supplies for re-sale to their members and the general public.

Finally, the office continues to provide a secretarial service to the National Co-op Pig Producers Society Ltd. In the past twelve months there were four meetings held with various presentations made to members. In September, a three-day study tour was organised to Bavaria, visiting biogas plants and alternative slurry conversion units. This tour proved to be very interesting and informative. 17 members travelled. During the year, NCPP membership increased by admitting a new member society, Centenary Co-operative Creamery Ltd.

Irish Foundation for Co-operative Development

IFCD Board & Co-operative Support

The 2002 Board of IFCD included Mr Billy Nagle, Chairman, Mr Dessie Boylan, Mr Donal Cashman, Mr Tom Corcoran, Mr Michael O'Dwyer, Mr Malachy Prunty, Secretary, and Mr John Tyrrell. During the year, Mr Prunty retired from the Board and was replaced by Mr James Brosnan. Mr Martin Varley was appointed as Executive Director and Mr Prunty continues to act as the Secretary.

During 2002, IFCD requested its dairy co-operatives to increase their funding for IFCD in view of the increased level of demand for co-op and producer marketing group development in Tanzania, Uganda and other African countries. In this respect, the Board of IFCD would like to formally thank its dairy co-operatives for the significant increase in funding which was provided in response to this appeal. The increase in funding positions IFCD to maintain and expand its activities not only in the existing two countries in which it is active but to consider proposals from additional countries such as Kenya.



Chairman of IFCD, Billy Nagle, meeting with representatives from CEDO and local co-op members, during his trip to Uganda in November 2002.

Expansion of Sustainable Co-operative Development

The success of co-op development work in Tanzania and Uganda continued at a high level throughout 2002. This success is increasingly based on the capability and the self-assurance that has been built up in the two local organisations, which IFCD assists through advice and financial support.

An IFCD delegation visited Tanzania, Uganda and Kenya in November 2002. The delegation included Mr Billy Nagle (Chairman) and Mr Eamonn Henry, a development expert who has worked in Tanzania and Uganda. The visits to Tanzania and Uganda included an evaluation of progress in both organisations and the provision of advice to them on key co-op development issues. The overall conclusions are that both organisations are continuing to make strong and sustainable progress in developing co-ops, credit groups and women's income generating groups. The visit to Kenya confirmed that similar opportunities exist in a number of regions in Kenya to achieve co-op and producer marketing group developments, which could substantially improve the incomes of farmers from coffee, fruit and vegetables, and other products. As a result of the visits, IFCD will examine proposals for development projects in the countries visited.

UGANDA

The IFCD funded Community Enterprise Development Organisation (CEDO) has continued to prove very successful in expanding and developing co-ops, producer marketing groups, credit and saving groups and women's income generating groups. In 2002, CEDO has built on its success in previous years, as confirmed in the table below. The success in developing new groups is attributed to the capabilities of CEDO, its access to IFCD advice and funding and the fact that earlier successes are now being repeated in the regions. The co-op/producer marketing groups are active in the production and marketing of beans, ground nuts, cassava, maize, coffee and livestock products.

Co-ops/ PMG's and other groups created in Uganda

Type of Group	To 2001	In 2002	Total
Co-op Producing Marketing Groups	20	31	51
Women's Groups	21	9	30
Micro Income Generating Groups	17	16	33
Credit & Savings Groups	5	2	7

The women's groups and the micro income generating groups are composed of women and they are involved in seed multiplication and crafts as income generating activities. The credit and saving units are being developed in tandem with the co-ops and producer marketing groups. CEDO also provided in-depth advice and training to its co-operative/PMG members on issues such as monitoring progress, cassava production, income generation, value added techniques and product marketing. In 2002, it is estimated that up to 642 advice and training activities have been completed to the benefit of 14,830 farmer and group members.

TANZANIA

In Tanzania, the IFCD funded co-op and PMG development organisation, the Community Grassroots Initiatives Association (COAS) continued to develop its existing co-ops and PMGS and developed new co-ops and PMGS. The main focus is on coffee, sunflower, pyrethrum, cereals/maize and tea producing and marketing co-ops/PMGs as summarised below.

Co-ops/ PMG's and other groups created in Tanzania

Type of Group	To 2001	In 2002	Total
Co-ops/ PMGS	20	5	25
Savings & Credit	15	2	17
Women's Income Groups	0	2	2

Co-op/PMG development is now well established in coffee and pyrethrum marketing followed by sunflower, maize and cereals. More recently there has been an expansion in tea production and marketing co-ops/PMGS. A total of 6 new co-ops were developed in 2002, two of which were in sunflower, two in tea and two in pyrethrum.

In addition, throughout 2002, COAS held a total of a nine residential training courses and eight on-site workshops/seminars for a total of 727 Co-op/PMG participants on a variety of subjects including planning, marketing, bookkeeping, and quality control measures. Also, six training courses were held for the savings and credit groups on management, finance, bookkeeping and related issues. These savings and credit courses were attended by a total of 97 participants. It is estimated that these training courses would have benefited a total of 6,592 farm families directly and indirectly.

Dairy Co-operative Societies 2001

Name of Co-op	Notes	Members	Employees	Trading Performance (€000's)			Balance Sheet (€000's)					
				Turnover	Net Income	Net Profit % Sales	Assets Employed		Financed By			% Debt/Equity
							Fixed	Total	Members	Banks	Other	
Arrabawn		8979	272	129,212.27	-1,397.28	-1.08%	16,938.44	25,526.04	24,715.57	29.20	810.47	0.00
Bandon		715	49	43,173.81	2,468.51	5.72%	27,662.14	34,049.41	30,825.44	-	3,223.97	0.00
Barryroe		736	97	50,311.48	2,544.80	5.06%	26,433.10	36,174.30	36,174.31	428.50	-	0.01
Boherbue		180	25	10,448.89	1,655.88	15.85%	2,653.03	6,369.80	6,369.80	-	-	0.00
Callan		161	16	8,824.48	240.64	2.73%	929.92	3,803.49	3,803.49	-	-	0.00
Centenary		1260	58	43,549.15	1,407.43	3.23%	7,292.07	18,342.11	18,330.74	-	11.38	0.00
Connacht Gold		19306	619	252,904.00	3,549.00	1.40%	45,513.00	46,728.00	39,991.00	11,872.00	3,044.00	0.30
Corcaghan		288	4	2,442.00	55.00	2.25%	769.00	1,592.00	1,592.00	-	-	0.00
Cork		540	50	22,534.04	1,093.24	4.85%	2,825.17	7,966.34	7,956.18	432.98	10.16	0.05
Dairygold		10916	3180	963,978.00	10,062.00	1.04%	302,945.00	381,181.00	207,665.00	146,187.00	89,229.00	0.70
Doapey		100	3	3,632.05	43.23	1.19%	274.65	1,202.12	1,202.12	-	-	0.00
Drombane		195	9	4,902.68	-9.13	-0.19%	239.22	1,399.15	1,379.71	-	19.44	0.00
Drinagh		2671	183	75,472.00	3,437.00	4.55%	44,724.00	49,866.00	44,724.00	1,338.00	5,142.00	0.03
Fealebridge		399	8	7,558.75	157.45	2.08%	241.25	5,809.05	5,809.05	-	-	0.00
Glanbia		18663	6963	2,625,408.00	26,852.00	1.02%	549,785.00	322,757.00	52,579.00	242,659.00	270,178.00	4.62
Glenveagh		1653	335	114,572.00	4,102.00	3.58%	33,750.00	33,431.00	28,723.00	11,428.00	4,708.00	0.40
Irish Dairy Board		70	2466	1,943,883.00	14,610.00	0.75%	143,272.00	262,728.00	214,728.00	197,996.00	48,000.00	0.92
Kerry Group		9700	15003	3,002,781.00	124,402.00	4.14%	1,571,714.00	830,411.00	435,396.00	818,924.00	395,015.00	1.88
Kilasnett	note 1	281	10	3,882.00	57.00	1.47%	64.00	928.00	928.00	-	-	0.00
Lakelands		4675	319	217,752.00	3,129.00	1.44%	33,040.00	47,834.00	45,661.00	4,658.00	2,173.00	0.10
Lee Strand		361	42	15,464.95	953.38	6.16%	14,271.66	10,015.15	10,007.55	4,331.08	7.59	0.43
Lisavaird		1150	73	39,234.72	2,571.63	6.55%	24,799.13	30,189.64	30,189.64	-	-	0.00
Maudabawn		221	6	5,080.32	72.50	1.43%	155.00	1,036.67	1,033.94	111.74	2.54	0.11
Mullinahone		82	86	16,550.36	45.04	0.27%	2,932.34	2,006.70	1,692.46	625.50	314.24	0.37
Newmarket		720	58	53,967.68	1,505.91	2.79%	6,638.19	12,758.33	12,758.33	5,708.74	-	0.45
Newtownsandies		261	11	9,430.34	232.36	2.46%	171.41	5,748.10	5,748.10	-	-	0.00
North Thurles	note 1	221	59	13,784.00	22.00	0.16%	1,898.00	4,500.00	4,283.00	-	217.00	0.00
Tipperary		1961	137	116,228.00	1,135.00	0.98%	14,034.00	23,069.00	23,069.00	1,347.00	861.00	0.06
Town of Monaghan		1500	120	100,743.00	415.00	0.41%	4,045.00	32,162.00	32,042.00	682.00	120.00	0.02
Wexford		681	2	29,493.61	18.16	0.06%	810.35	2,033.99	1,106.58	-	927.40	0.00
Total		88646	30263	9,927,198.58	205,430.76	2.07%	2,880,820.07	2,241,617.39	1,330,484.01	1,448,758.73	824,014.19	1.09

Note 1: 2000 annual accounts

Note 2: Glanbia, Glenveagh and Kerry statistics from Plc accounts

Note 3: Euro conversion 0.787564

Note 4: Net income equals retained profit for year

Mart Co-operative Societies 2001

Society	Members	Employees (Incl. Part-time)	Trading Performance (€000's)						Balance Sheet (€000's)					
			Livestock Sales	Comm & Entry Fees	Deposit Interest	Net Profit	Comm & Entry Fees as % Sales	Net Profit as % Sales	Assets Employed		Financed By			% Debt/Equity
									Fixed	Total	Members	Banks	Other	
1 Athenry	1,100	33	12,620.19	358.07	8.89	-48.25	2.8%	-0.4%	972.62	984.87	526.31	420.50	-	0.80
2 Ballinasloe	850	36	13,831.58	328.86	3.81	-12.06	2.4%	-0.1%	1,216.84	1,201.47	1,006.42	460.68	195.05	0.46
3 Ballyjamesduff	400	31	10,762.63	190.86	19.64	46.03	1.8%	0.4%	766.69	2,367.35	2,352.98	14.37	-	0.01
4 Birr	500	18	6,713.90	196.19	-	-49.34	2.9%	-0.7%	239.33	444.33	403.30	-	-	0.00
5 Castleisland	313	23	21,192.54	655.17	46.80	12.36	3.1%	0.1%	914.09	1,778.83	1,709.34	968.73	69.49	0.57
6 Castlerea	952	23	10,218.42	330.65	2.74	-58.56	3.2%	-0.6%	808.73	651.57	540.98	413.61	110.59	0.76
7 Clare	2,615	41	35,000.00	1,176.37	-	126.47	3.4%	0.4%	5,891.29	4,905.03	4,905.03	-	-	0.00 *
8 Connacht Gold (note 4)	0	0	48,500.00	1,649.00	-	-464.00	3.4%	N/A	N/A					
9 Cork Marts	15,100	152	51,667.00	2,180.00	-	-641.00	4.2%	-1.2%	8,826.00	9,713.00	7,161.00	-	2,552.00	0.00
10 Dingle	270	15	3,926.94	125.66	4.84	-105.68	3.2%	-2.7%	376.13	237.40	237.40	-	-	0.00
11 East Donegal	283	21	6,939.82	174.65	7.27	1.73	2.5%	0.0%	325.48	603.92	532.03	83.44	71.89	0.16
12 Gort	1,200	17	7,158.92	200.56	-	-118.54	2.8%	-1.7%	1,949.89	1,857.97	581.76	652.61	-	1.12
13 Headford	550	17	3,951.05	178.90	-	1.86	4.5%	0.0%	176.67	216.63	216.63	339.02	-	1.56
14 Inishowen (note 8)	0	0	10,000.00	194.55	46.86	195.00	1.9%	2.0%	N/A	N/A	N/A	N/A	N/A	0.00
15 Iveragh	450	15	3,236.61	102.37	0.76	14.28	3.2%	0.4%	283.58	293.02	167.66	20.82	125.36	0.12
16 Kanturk#	240	10	6,646.00	198.00	-	-86.00	3.0%	-1.3%	162.00	1,158.00	155.00	-	1,004.00	0.00
17 Kenmare#	600	13	2,539.00	114.00	-	-10.00	4.5%	-0.4%	463.00	522.00	212.00	130.00	37.00	0.61
18 Kiltinora (note 7)	-	-	1,897.55	37.95	-	13.71	2%	0.7%	99.57	104.18	104.18	-	-	0.00
19 Kilkenny	1,112	47	22,629.15	552.34	33.48	-14.92	2.4%	-0.1%	4,854.60	3,751.40	3,172.44	1,069.08	-	0.34
20 Kingdom (note 6)	710	16	2,475.32	94.06	-	-26.94	3.8%	-1.1%	1,893.29	1,738.45	1,123.00	318.29	57.96	0.28
21 Leinster	1,026	17	20,950.68	286.96	-	1,879.21	1.4%	9.0%	2,159.61	2,165.48	1,825.86	127.99	339.63	0.07
22 Mallow (Dairygold)#	0	0	11,326.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
23 Mayo Sligo (note 6)	980	18	10,157.90	494.89	115.28	108.85	4.9%	1.1%	978.09	2,907.76	2,737.56	545.99	170.65	0.20
24 Mid-Kerry	446	18	4,097.98	180.31	8.00	-22.63	4.4%	-0.6%	633.91	769.59	769.59	-	-	0.00
25 Mid-Tipperary	962	17	14,546.45	336.48	8.89	11.04	2.3%	0.1%	464.48	1,011.99	936.44	11.27	75.55	0.01
26 Milford#	434	25	5,347.00	146.00	20.00	-11.00	2.7%	-0.2%	166.00	668.00	668.00	-	-	0.00
27 Nenagh	687	23	11,272.49	280.98	-	1,255.00	2.5%	11.1%	1,000.46	2,548.40	2,548.41	269.18	-	0.11
28 Roscommon	37	487	11,427.64	311.65	-	-66.12	2.7%	-21.2%	455.21	1,100.42	1,046.97	-	53.45	0.00
29 Roscrea (Glanbia)#	20	2	12,855.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30 Templemore	950	12	3,622.26	72.34	1.11	13.39	2.0%	0.4%	280.13	464.68	464.68	-	-	0.00
31 Tuam	20	1,300	12,312.23	885.62	9.90	-164.75	7.2%	-1.3%	908.81	456.01	395.02	674.85	60.99	1.71
32 Waterford/Ross (note 6)	9	1,164	6,007.98	144.19	-	-53.83	2.4%	-0.9%	422.65	334.01	148.39	120.63	185.62	0.81
33 Wexford Farmers (note 7)	4,205	166	53,425.51	641.11	-	115.90	1.2%	0.2%	7,545.92	8,030.45	6,118.84	2,005.48	420.19	0.33
TOTAL	37,021	3,777	459,255.75	12,818.72	338.27	1,841.19	2.8%	0.4%	45,235.05	52,986.21	42,767.21	8,646.54	5,529.41	0.20

\$: Estimate N/A : Not Available

Note 1 : Cork Marts Commission and Entry Fee Figure Includes Deposit Interest and Other Income.

Note 2 : Balance sheet figures for Inishowen are shown in the table dealing with Store Societies.

Note 3: # =2000 figures.

Note 4: % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds.

Note 5: 0.787564.

Note 6: Estimate of total turnover.

Note 7: Estimate of commission and entry fee.

Note 8: Inishowen figures include turnover (estimate) and commission and entry fee for mart only.

Fishing Co-operative Societies Statistics 2001

Society	Members	Employees (Incl. Part-time)	Trading Performance (€000's)			Balance Sheet (€000's)					% Debt/Equity
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			
						Fixed	Total	Members	Banks	Other	
1 Burtonport#	352	114	8,645.65	-313.63	-3.6%	2,285.53	5,269.41	2,200.46	200.62	832.95	0.09
2 Castletownbere#	59	130	21,410.32	398.70	1.9%	1,504.64	3,790.17	1,940.16	892.63	317.43	0.46
3 Donegal#	82	3	675.50	17.78	2.6%	45.71	121.89	8.89	-	90.15	0.00
4 Dunmore East#	32	12	4,332.35	50.79	1.2%	591.70	935.80	217.13	120.63	176.49	0.56
5 Foyle#	18	8	788.51	26.23	3.3%	189.72	595.91	564.39	16.64	14.88	0.03
6 Galway & Aran #	61	26	10,522.74	6.83	0.1%	955.19	851.37	851.37	-	-	0.00
7 Greencastle #	13	3	1,583.70	-34.92	-2.2%	69.87	-36.82	-36.82	-	-	0.00
8 Meitheal Na Mara Rinne Teo	91	3	777.27	9.68	1.2%	40.61	112.86	112.86	-	-	0.00
9 South & East Coast #	95	2	1,040.09	28.39	2.7%	252.07	463.97	410.13	-	53.84	0.00
10 South Wexford Lobsters#	24	1	100.31	11.43	11.4%	17.78	45.71	29.20	7.00	7.62	0.24
TOTAL	827	302	49,876.44	201.28	0.4%	5,952.81	12,150.28	6,297.77	1,237.51	1,493.36	0.20

N/A = Not Available

Note : The symbol # indicates that 1999 figures have been used where 2000 and 2001 figures are unavailable.

0.787564

Wholesale Co-operative Societies Statistics 2001

Society	Members	Employees	Trading Performance (€000's)			Balance Sheet (€000's)					% Debt/Equity
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			
						Fixed	Total	Members	Banks	Other	
1 Co-op Animal Health	2	66	16,015.92	302.69	1.9%	3,508.47	4,630.25	4,630.25	4,666.40	-	1.01
2 Irish Co-op Society	29	120	15,830.45	135.15	0.9%	11,226.41	8,338.55	8,338.55	532.64	-	0.06
3 I.A.W.S	103	2514	1,214,878.00	55,381.00	4.6%	466,709.00	219.38	212,880.00	99,102.00	3,198.00	0.47
TOTAL	134	2700	1,246,724.37	55,818.83	4.5%	481,443.87	13,188.17	225,848.79	104,301.03	3,198.00	0.46

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note: 0.787564

0.787564

Other Co-operative Societies Statistics 2001

Society	Members	Employees (Incl. Part-time)	Trading Performance (€000's)					Balance Sheet (€000's)			% Debt/ Equity
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			
						Fixed	Total	Members	Banks	Other	
CATTLE BREEDING SOCIETIES											
1 Munster CBS#	50	4	1,026	19	1.86%	4	1,036	0	0	0	0.00
2 SECBS	10	42	3,735	44	1.19%	1,635	418	3,281	0	0	0.00
3 South Western Services	5	230	15,279	1,375	9.00%	6,461	9,318	7,842	42	1,476	0.01
STORE SOCIETIES											
4 Clonleigh#	650	21	9,495	207	2.18%	691	1,845	1,845	0	0	0.00
5 Inishowen (Note 1)	1900	59	1,139	42	3.68%	1,413	3,123	3,123	20	0	0.01
PIG SOCIETIES											
6 Glen of Aherlow	173	18	4,134	-178	-4.32%	2,617	5,829	5,829	504	0	0.09
7 Roughly Valley#	20	9	1,393	-90	-6.47%	1,641	1,997	326	396	157	1.21
8 National Co-op Pig Producers#	7	0	8	-12	-150%	1	5	5	0	0	0.00
SPECIALIST BREEDING SOCIETIES											
9 Irish Charolais Cattle	2671	5	973	194	19.95%	108	1,290	1,290	0	0	0.00
10 Irish Limousin#	1100	3	324	69	21.18%	311	373	373	0	0	0.00
11 Irish Pedigree Pigs (reg)#'	8	1	9	1	14.29%	1	13	6	0	6	0.00
12 Irish Simmental#	800	2	215	-23	-10.65%	14	173	173	0	0	0.00
RADIO SOCIETIES											
13 Kilkenny Com. Radio#	3200	23	728	22	2.97%	143	291	291	6	0	0.02
MISCELLANEOUS SOCIETIES											
14 Co-op Travel	1	13	5,666	-20	-0.36%	74	372	372	44	0	0.12
15 Country Markets#	13331	2	2,292	6	0.28%	9	166	166	0	0	0.00
16 IFAC	14434	110	6,622	248	3.74%	1,103	5,451	5,451	0	0	0.00
17 Irish Farm Centre	N/A	N/A									
18 Irish Horse Board	9800	12	1,600	61	3.79%	57	588	588	0	0	0.00
19 Nat Co-op Farm Relief#	20000	117	436	11	2.62%	170	479	479	0	0	0.00
TOTAL	68160	671	55,072	1,975	3.59%	16,454	32,767	31,441	1,013	1,639	0.03

N/A = Not Available

Note 1 : Turnover figure for Inishowen Co-op Society does not include a figure for turnover of livestock in mart.

Note 2: % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note 3: The symbol # indicates that 1999 figures have been used where 2000 figures are unavailable.

Note 4: 0.787564

Note 5: # = 2000 annual accounts information

Tourism/Rural Development Statistics 2001

Society	Members	Employees (Incl. Part-time)	Trading Performance (€000's)			Balance Sheet (€000's)					
			Total Sales	Net Profit	Net Profit % Sales	Assets Employed		Financed By			% Debt/ Equity
						Fixed	Total	Members	Banks	Other	
1 Cavan/Monaghan#	21	9	304.74	19.05	6.25%	17.78	167.61	92.69	-	74.91	0.00
2 C C Chleire Teo	627	6	140.23	- 46.75	-33.34%	156.49	241.71	241.71	-	-	0.00
3 CC Comhdhail Oileain na hEireann#	33	5	987.86	-	0.00%	8.89	111.74	110.47	1.27	-	0.01
4 Kilrush Development#	10	17	2,322.35	12.70	0.55%	1,246.88	1,274.82	464.72	206.97	600.59	0.45
Total	691	37	3,755.17	- 15.01	-0.40%	1,430.03	1,795.87	909.59	208.24	675.50	0.23

N/A = Not Available

Note 1: % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note 2: The symbol # indicates that 1999 figures have been used where 2000 figures are unavailable.

Note 3: 0.787564

Summary of Statistics 2001

	Total	Dairies	Marts	Wholesale	Fishing	Tourism Rural Dev.	Others
Number of Societies	99	30	33	3	10	4	19
Members	195,479	88,646	37,021	134	827	691	68,160
Employees	37,750	30,263	3,777	2,700	302	37	671
Trading Performance ('000's)							
Total Sales	11,741,882.57	9,927,198.58	459,255.75	1,246,724.37	49,876.44	3,755.17	55,072.26
Net Income	264,814.19	205,430.76	1,841.19	55,381.00	201.28	- 15.01	1,974.96
Net Income as % of Sales	2.26%	2.07%	0.40%	4.44%	0.40%	-0.40%	3.59%
Balance Sheet ('000's)							
Fixed Assets	3,431,335.51	2,880,820.07	45,235.05	481,443.87	5,952.81	1,430.03	16,453.68
Total Assets	2,354,504.79	2,241,617.39	52,986.21	13,188.17	12,150.28	1,795.87	32,766.86
Members Funds	1,637,748.68	1,330,484.01	42,767.21	225,848.79	6,297.77	909.59	31,441.30
Bank Borrowings	1,564,165.17	1,448,758.73	8,646.54	104,301.03	1,237.51	208.24	1,013.12
Other	836,549.91	824,014.19	5,529.41	3,198.00	1,493.36	675.50	1,639.45
% Debt/Equity	95.51%	108.89%	20.22%	46.18%	19.65%	22.89%	3.22%

Note : % Debt/Equity Ratio Calculated as follows : Long Term and Short Term Borrowings/Total Members Funds

Note : In the case of Marts, the number of societies figure excludes other societies with Mart operations to avoid double counting.

Financial Services Division

ICOS FINANCES

The year 2002 resulted in a loss after taxation of €304,010 as compared to a surplus of €242,345 in the prior year. In 2002, total income decreased by 23.5%. The decrease in affiliation fees is mainly due to a "catch up" payment in 2001, which did not take place in 2002 as it was paid during the year. In 2001, income increased mainly due to non-recurring events such as the Phare project and the IAFD dividend received. The joint venture arrangement with COPA/COGECA to provide consultancy service to the European Commission in relation to the development of the agricultural co-operative movement in Central Eastern European countries was completed in 2002 and contributed €53,514 to the ICOS income stream as compared to €199,906 in 2001.

Income was also generated from the UCC/ICOS Diploma programme for 2002.

The overall expenditure for the year has increased by 13.9% for the year 2002. The main movement in costs has been an increase in payroll costs due to the increase in staff numbers in order to carry out the joint venture and also the recruitment of a Public Relations Executive. The project staff members were employed on a one-year contract, which was completed during the year.

Travel and services expenditure has increased by 3%. Professional fees also increased. The increase was mainly due to a non-recurring charge for the Phare project and staff pension actuarial costs.

Statistical Analysis

ICOS undertakes the statistical analysis of Dairy, Mart and other sectors. The analysis is included in this report.

During 2002, a detailed submission on insurance costs was prepared on behalf of the Dairy sector and was submitted to the Competition Authority. The survey outlined the exorbitant increases in premia being imposed on the sector. The survey was also submitted to the Department of Enterprise, Trade and Employment.

The division prepared a detailed Budget submission for the Budget 2003 in conjunction the co-operatives. Meetings were held with the Department of Finance.

Pensions

ICOS continues to administer the two industry wide pension schemes.

Dairy Executives Pension Scheme
Irish Co-operatives Societies Pension Scheme

The returns from both were better than the average despite the negative trading conditions that prevailed during the year. Bank of Ireland Asset Management manages the two schemes' assets.

Grant Aid

The European Commission launched the Framework Six Programme for research and development. ICOS disseminated information about the programme and collated details for submission on behalf of the co-operatives.

Other Issues

During the year the division also assisted in the preparation of training in financial matters for the various training programmes, which were organised by ICOS.

The division continues to provide services to other sectors within ICOS and provide information as requested to co-operatives and other interested parties.

ICOS Services:

ICOS is divided into three main divisions: General Directorate/ Administration Division; Policy Development Division; and Member Development Division, all of which provide a range of services to its member co-operatives, including:

- Analysis and provision of information and advice on the national, EU and international legislative, economic and support developments in the agri-food sector.
- Development of policy and position papers on these developments.
- Representation of co-operative views at national, EU and international levels on proposed changes and developments.
- Participation, on a consultative basis, in the EU Standing Committees.
- Participation in COGECA.
- Development of overseas contacts for co-operatives, including Central and Eastern European consultancy and market intelligence.
- Preparation of rules and assistance to groups in the process of incorporation.
- Preparation of grant applications and negotiation of financial packages.
- Advice on sourcing of funds and other financial services.
- Advice on corporate issues.
- Director and co-operative leadership training programmes.
- Developing new co-operative services and enterprises.
- Organising national and regional conferences on co-operative subjects.
- Advice on industrial relations.
- Rural development initiatives.



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